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1997

STATE OF MONTANA

MONTANA CODE ANNOTATED
(MCA)

Title 5, Chapter 7

and

ADMINISTRATIVE RULES OF MONTANA
(ARM)

Chapter 12

LOBBYING

Published by

Commissioner of Political Practices
1205 Eighth Avenue
P. O. Box 202401
Helena, MT 59620-2401

(406) 444-2942

1997

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Part 1
General Provisions -- Licenses

5-7-101. Purposes of chapter -- applicability. (1) The purposes of this chapter are to promote a high standard of ethics in the practice of lobbying, to prevent unfair and unethical lobbying practices, to provide for the licensing of lobbyists and the suspension or revocation of the licenses, to require elected officials to make public their business, financial, and occupational interests, and to require disclosure of the amounts of money spent for lobbying.

(2) Nothing in this chapter subjects an individual lobbying on his own behalf to any reporting requirements nor deprives an individual of the constitutional right to communicate with public officials.

History: En. Sec. 1, Ch. 157, L. 1959; amd. Sec. 19, Ch. 309, L. 1977; R.C.M. 1947, 43-801; amd. Sec. 1, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 1, Ch. 568, L. 1983; amd. Sec. 1, Ch. 498, L. 1991.

Cross-References

Freedom of speech and expression, Art. II, sec. 7, Mont. Const.

Right of participation, Art. II, sec. 8, Mont. Const.

5-7-102. Definitions. The following definitions apply in this chapter:

(1) "Business" means:

(a) a holding or interest whose fair market value is greater than $1,000, in a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, self-employed person, holding company, joint stock company, receivership, trust, or other entity or property held in anticipation of profit, but does not include nonprofit organizations; and

(b) present or past employment from which benefits, including retirement allowances, are received.

(2) "Commissioner" means the commissioner of political practices.

(3) "Docket" means the register of lobbyists and principals maintained by the commissioner pursuant to 5-7-201.

(4) "Elected official" means a public official holding a state office filled by a statewide vote of all the electors of Montana or a state district office, including but not limited to legislators, public service commissioners, and district court judges. The term "official-elect" also applies to the offices.

(5) "Individual" means a human being.

(6) "Lobbying" means:

(a) the practice of promoting or opposing the introduction or enactment of legislation before the legislature or the members of the legislature by a person other than a member of the legislature or a public official; and

(b) the practice of promoting or opposing official action by any public official.

(7) "Lobbying for hire" includes activities of the officers, agents, attorneys, or employees of a principal who are paid, reimbursed, or retained by the principal and whose duties include lobbying. If an individual is reimbursed only for his personal living and travel expenses, which together are less than $1,000 per calendar year, that individual is not considered to be lobbying for hire.

(8) (a) "Lobbyist" means a person who engages in the practice of lobbying for hire.

(b) Lobbyist does not include:

(i) an individual acting solely on his own behalf; or

(ii) an individual working for the same principal as a licensed lobbyist if the individual does not have personal contact involving lobbying with a public official on behalf of his principal.

(c) Nothing in this section deprives an individual not lobbying for hire of the constitutional right to communicate with public officials.

(9) "Payment" means distribution, transfer, loan, advance, deposit, gift, or other rendering made or to be made of money, property, or anything of value.

(10) "Payment to influence official action" means any of the following types of payment:

(a) direct or indirect payment to a lobbyist by a principal, such as salary, fee, compensation, or reimbursement for expenses, excluding personal living expenses; or

(b) payment in support of or assistance to a lobbyist or a lobbying activity, including but not limited to the direct payment of expenses incurred at the request or suggestion of the lobbyist.

(11) "Person" means an individual, corporation, association, firm, partnership, state or local government or subdivision of state or local government, or other organization or group of persons.

(12) "Principal" means a person who employs a lobbyist.

(13) "Public official" means an individual, elected or appointed, acting in his official capacity for the state government. The term does not include those acting in a judicial or quasi-judicial capacity or performing ministerial acts.

(14) "Unprofessional conduct" means:

(a) violating any of the provisions of this chapter;

(b) instigating action by a public official for the purpose of obtaining employment;

(c) attempting to influence the action of a public official on a measure pending or to be proposed by:

(i) promising financial support; or

(ii) making public any unsubstantiated charges of improper conduct on the part of a lobbyist, a principal, or a legislator; or

(d) attempting to knowingly deceive a public official with regard to the pertinent facts of an official matter or attempting to knowingly misrepresent pertinent facts of an official matter to a public official.

History: En. Sec. 2, Ch. 157, L. 1959; R.C.M. 1947, 43-802; amd. Sec. 2, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 2, Ch. 568, L. 1983; amd. Sec. 2, Ch. 498, L. 1991.

5-7-103. Licenses -- fees -- eligibility -- waiver. (1) Any adult of good moral character who is otherwise qualified under this chapter may be licensed as a lobbyist. The commissioner shall provide a license application form. The application form may be obtained from and must be filed in the office of the commissioner. Upon approval of the application and receipt of the license fee by the commissioner, a license must be issued that entitles the licensee to practice lobbying on behalf of one or more enumerated principals. The license fee is $50 for each lobbyist. Each license expires on December 31 of each even-numbered year or may be terminated at the request of the lobbyist. A lobbyist who believes that payment of the license fee may constitute a hardship may apply to the commissioner for a waiver of the fee required by this section. The commissioner may waive the license fee upon proof by the lobbyist that payment of the fee constitutes a hardship.

(2) (a) Except as provided in subsection (2)(b), an application may not be disapproved without affording the applicant a hearing. The hearing must be held and the decision entered within 10 days of the date of the filing of the application.

(b) An application may not be approved if a principal has failed to file reports required under 5-7-208.

(3) The fines and license fees collected under this chapter must be deposited in the state treasury.

(4) The commissioner may adopt rules to implement the waiver provisions of subsection (1).

History: En. Sec. 3, Ch. 157, L. 1959; amd. Sec. 3, Ch. 248, L. 1965; amd. Sec. 20, Ch. 309, L. 1977; R.C.M. 1947, 43-803(1); amd. Sec. 3, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 1, Ch. 91, L. 1991; amd. Sec. 3, Ch. 498, L. 1991; amd. Sec. 1, Ch. 18, Sp. L. November 1993.

Cross-References

Licenses -- Administrative Procedure Act, 2-4-631.
Prohibition of practice without license and registration, 5-7-301.
Discrimination in issuance prohibited, 49-3-204.

5-7-104. Repealed. Sec. 20, Initiative No. 85, 1980.

History: En. Sec. 3, Ch. 157, L. 1959; amd. Sec. 3, Ch. 248, L. 1965; amd. Sec. 20, Ch. 309, L. 1977; R.C.M. 1947, 43-803(2).

5-7-105. Suspension of lobbying privileges. No lobbyist whose license has been suspended and no person who has been adjudged guilty of a violation of any provision of this chapter may engage in lobbying for hire until that person has been reinstated to the practice and duly licensed.

History: En. Sec. 3, Ch. 157, L. 1959; amd. Sec. 3, Ch. 248, L. 1965; amd. Sec. 20, Ch. 309, L. 1977; R.C.M. 1947, 43-803(3); amd. Sec. 4, I.M. No. 85, approved Nov. 4, 1980.

5-7-106 and 5-7-107 reserved.

5-7-108. Inspection of applications and reports -- issuance of orders of noncompliance. (1) Each application and report filed with the commissioner must be inspected within 10 days after it is filed. If a person has not satisfied the provisions of this chapter, the commissioner shall immediately notify the person of the noncompliance. An order of noncompliance may be issued when:

(a) it is determined that an application or report filed with the commissioner does not conform to the requirements of this chapter; or

(b) a person has failed to file an application or report required by law.

(2) The person shall submit the necessary information within 5 days after receiving the notice of noncompliance. Upon failure to submit the required information within 5 days, the commissioner may initiate a civil or criminal action pursuant to the procedures contained in 5-7-305.

History: En. Sec. 3, Ch. 91, L. 1991.

5-7-109 and 5-7-110 reserved.

5-7-111. Commissioner to make rules. (1) The commissioner shall promulgate and publish rules necessary to carry out the provisions of this chapter in conformance with the Montana Administrative Procedure Act and, in particular, shall provide rules necessary to allocate salary, expenses, and any other payments between lobbying activities and other activities not connected with lobbying for any person whose activities are not solely limited to lobbying.

(2) Such rules shall be designed to effect and promote the purposes of this chapter, express or implied. Such rules shall be as simple and easily complied with as possible.

History: En. Sec. 17, I.M. No. 85, approved Nov. 4, 1980.

Cross-References

Montana Administrative Procedure Act, Title 2, ch. 4.

Part 2
Registration and Reports

5-7-201. Docket -- contents. The commissioner shall make available to the public the information required by this chapter, including but not limited to the name and business address of each lobbyist, the name and business address of his principal, and the subject or subjects to which the employment relates or a statement that the employment relates to all matters in which the principal has an interest. The docket entry for each principal must also indicate the date of receipt of the principal's lobbying reports as required by 5-7-208.

History: En. Sec. 5, Ch. 157, L. 1959; R.C.M. 1947, 43-805(part); amd. Sec. 5, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 2, Ch. 91, L. 1991.

5-7-202. Docket -- public record. Such docket shall be a public record and open to the inspection of any individual upon demand at any time during the regular business hours of the office of the commissioner.

History: En. Sec. 5, Ch. 157, L. 1959; R.C.M. 1947, 43-805(part); amd. Sec. 6, I.M. No. 85, approved Nov. 4, 1980.

Cross-References

Right to know, Art. II, sec. 9, Mont. Const.

5-7-203. Principal -- name of lobbyist on docket. Every principal who employs any lobbyist shall within 1 week after such employment cause the name of said lobbyist to be entered upon the docket. It shall also be the duty of the lobbyist to enter his name upon the docket. Upon the termination of such employment, such fact may be entered opposite the name of the lobbyist either by the lobbyist or the principal.

History: En. Sec. 4, Ch. 157, L. 1959; R.C.M. 1947, 43-804; amd. Sec. 8, Ch. 3, L. 1985.

5-7-204. Updating docket. Any principal employing any lobbyist shall, when further subjects of legislation are introduced or arise which such lobbyist is to promote or oppose, make or cause to be made additional entries in the docket stating such employment so that the docket will show at all times all subjects of legislation in relation to which the lobbyist is employed or the general statement provided in 5-7-201.

History: En. Sec. 5, Ch. 157, L. 1959; R.C.M. 1947, 43-805(2).

5-7-205. Repealed. Sec. 20, Initiative No. 85, 1980.

History: En. Sec. 5, Ch. 157, L. 1959; R.C.M. 1947, 43-805(3).

5-7-206. Repealed. Sec. 20, Initiative No. 85, 1980.

History: En. Sec. 6, Ch. 157, L. 1959; amd. Sec. 21, Ch. 309, L. 1977; R.C.M. 1947, 43-806(2).

5-7-207. Report to legislature. Beginning with the first Tuesday following the beginning of any regular or special session of the legislature and on the first Tuesday of every month thereafter during which the legislature is in session, the commissioner shall make available from the commissioner's records a report to each member of each house of the legislature containing the names

of lobbyists registered under this chapter, not previously reported, the names of the principals whom they represent as lobbyists, and the subjects of legislation in which each principal is interested.

History: En. Sec. 5, Ch. 157, L. 1959; R.C.M. 1947, 43-805(part); amd. Sec. 7, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 13, Ch. 349, L. 1993.

5-7-208. Principals to file report. (1) A principal subject to this chapter shall file with the commissioner a report of payments made for the purpose of lobbying.

(2) If payments are made solely to influence legislative action, a report must be made:

(a) by February 15th of any year the legislature is in session and must include all payments made in that calendar year prior to February 1;

(b) by the 15th day of the calendar month following a calendar month in which the principal spent $5,000 or more and must include all payments made during the prior calendar month; and

(c) no later than 30 days following adjournment of a legislative session and must include all payments made during the session, except as previously reported.

(3) If payments are made to influence any other official action by a public official or made to influence other action and legislative action, a report must be made:

(a) by February 15th of the calendar year following the payments and must include all payments made during the prior calendar year; and

(b) by the 15th day of the calendar month following a calendar month in which the principal spent $5,000 or more and must include all payments made during the prior calendar month.

(4) If no payments are made during the reporting periods provided in subsections (2)(a), (2)(c), and (3)(a) above, the principal shall file a report stating that fact.

(5) Each report filed under this section must:

(a) list all payments for lobbying in each of the following categories:

(i) printing;

(ii) advertising, including production costs;

(iii) postage;

(iv) travel expenses;

(v) salaries and fees, including allowances, rewards, and contingency fees;

(vi) entertainment, including all foods and refreshments;

(vii) telephone and telegraph; and

(viii) other office expenses;

(b) itemize, identifying the payee and the beneficiary:

(i) each separate payment conferring $25 or more benefit to any public official when the payment was made for the purpose of lobbying; and

(ii) each separate payment conferring $100 or more benefit to more than one public official, regardless of individual benefit when the payment was made for the purpose of lobbying, except that in regard to a dinner or other function to which all senators or all representatives have been invited, the beneficiary may be listed as all members of that group without listing separately each person who attended;

(c) list each contribution and membership fee which amounts to $250 or more when aggregated over the period of 1 calendar year paid to the principal for the purpose of lobbying, with the full address of each payer and the issue area, if any, for which the payment was earmarked;

(d) list each official action on which the principal or his agents exerted a major effort to support, oppose, or modify, together with a statement of the principal's position for or against the action; and

(e) be kept by the commissioner for a period of 10 years.

History: En. Sec. 11, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 3, Ch. 568, L. 1983; amd. Sec. 4, Ch. 91, L. 1991; amd. Sec. 4, Ch. 498, L. 1991.

5-7-209. Payments prohibited unless reported -- penalty for failure to report or for false statement. A principal may not make payments to influence official action by any public official unless that principal files the reports required under this chapter. A principal who fails to file a required report is subject to the penalty provided in 5-7-305 as well as any civil action provided for in that section. A principal who knowingly files a false, erroneous, or incomplete statement commits the offense of unsworn falsification to authorities.

History: En. Sec. 12, I.M. No. 85, approved Nov. 4, 1980.

Cross-References

Offense of unsworn falsification to authorities -- misdemeanor, 45-7-203.

5-7-210. Reimbursement. Whenever a lobbyist invites a public official to attend a function which the lobbyist or his principal has fully or partially funded or sponsored, or whenever a lobbyist offers a public official a gift, the lobbyist must, upon request, supply the recipient public official with the benefit's true or estimated cost and allow the public official to reimburse. Such expenditures must be itemized in the principal's reports with a notation "reimbursed by benefactee".

History: En. Sec. 13, I.M. No. 85, approved Nov. 4, 1980.

5-7-211. Governmental responses not lobbying payments. Budget preparation or response to requests of a house or committee of the legislature by any governmental entity shall not be considered lobbying payments for the purposes of this chapter.

History: En. Sec. 14, I.M. No. 85, approved Nov. 4, 1980.

5-7-212. Audit of lobbying reports. (1) The commissioner may audit the reports filed under 5-7-208 and shall investigate any irregularities and report any apparent violations of this chapter to the attorneys having authority to prosecute. The lobbyist is required to provide and the principal is required to obtain and keep for a period of 3 years from the date of filing all records supporting the reports filed under 5-7-208.

(2) All records under subsection (1) must be open to inspection on request of the commissioner or an attorney having authority to prosecute violations of this chapter. The commissioner and the attorneys are given the power to:

(a) subpoena and compel attendance;

(b) issue enforceable civil investigative demands;

(c) take evidence; and

(d) require the production of any books, correspondence, memoranda, bank account statements, or other records which are relevant or material for the purpose of conducting any investigation pursuant to the provisions of this chapter.

History: En. Sec. 15, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 5, Ch. 91, L. 1991; amd. Sec. 5, Ch. 498, L. 1991.

5-7-213. Disclosure by elected officials. (Renumbered 2-2-106 by Code Commissioner, 1995.)

Part 3
Prohibitions -- Enforcement

5-7-301. Prohibition of practice without license and registration. (1) No individual may practice as a lobbyist unless that individual has been licensed under 5-7-103 and listed on the docket as employed in respect to all the matters he is promoting or opposing.

(2) No principal may directly or indirectly authorize or permit any lobbyist employed by that principal to practice lobbying until the lobbyist is duly licensed and the names of the lobbyist and the principal are duly entered on the docket.

History: En. Sec. 6, Ch. 157, L. 1959; amd. Sec. 21, Ch. 309, L. 1977; R.C.M. 1947, 43-806(part); amd. Sec. 8, I.M. No. 85, approved Nov. 4, 1980.

5-7-302. Unprofessional conduct. No lobbyist or principal shall engage in or directly or indirectly authorize any unprofessional conduct.

History: En. Sec. 6, Ch. 157, L. 1959; amd. Sec. 21, Ch. 309, L. 1977; R.C.M. 1947, 43-806(part); amd. Secs. 9, 10, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 4, Ch. 568, L. 1983.

5-7-303. Repealed. Sec. 20, Initiative No. 85, 1980.

History: En. Sec. 6, Ch. 157, L. 1959; amd. Sec. 21, Ch. 309, L. 1977; R.C.M. 1947, 43-806(3).

5-7-304. Repealed. Sec. 20, Initiative No. 85, 1980.

History: En. Sec. 7, Ch. 157, L. 1959; R.C.M. 1947, 43-807.

5-7-305. Penalties and enforcement. (1) Any person violating the provisions of this chapter shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by imprisonment in the county jail not more than 6 months or by a fine not exceeding $200, or both.

(2) Any person who violates any of the provisions of this chapter shall be subject to civil penalties of not less than $250 and not more than $7,500 according to the discretion of the district court, as court of original jurisdiction. A lobbyist who violates any of the provisions of this chapter shall have his license suspended or revoked according to the discretion of the court. Any public official holding elective office adjudged in violation of the provisions of this act is additionally subject to recall under Montana Recall Act, 2-16-601, et seq., and such violation shall constitute an additional basis for recall to those mentioned in 2-16-603(3).

(3) The attorney general, commissioner, or the county attorney of the county in which the violation takes place may bring criminal or civil actions in the name of the state for any appropriate criminal or civil remedy.

(4) If a prosecution is undertaken by the commissioner or any county attorney, all costs associated with the prosecution shall be paid by the state of Montana.

(5) (a) Any individual who has notified the commissioner, the attorney general, and the appropriate county attorney in writing that there is reason to believe that some portion of this chapter

is being violated may himself bring in the name of the state an action (hereinafter referred to as a citizen's action) authorized under this chapter if:

(i) the attorney general and the appropriate county attorney have failed to commence an action hereunder within 40 days after such notice; and

(ii) said attorneys then fail to commence an action within 10 days after a written notice delivered to them advising them that a citizen's action will be brought if they do not bring an action.

(b) Each notification shall toll the statute of limitations applicable until the expiration of the waiting period.

(c) If the individual who brings the citizen's action prevails, he shall be entitled to be reimbursed by the state of Montana for costs and attorney's fees incurred; provided that in the case of a citizen's action which is dismissed and which the court also finds was brought without reasonable cause, the court may order the individual commencing the action to pay all costs of trial and reasonable attorney's fees incurred by the defendant.

(6) No civil action may be brought under this section more than 3 years after the occurrence of the facts which give rise to the action.

(7) All civil penalties imposed pursuant to this section shall be deposited in the state general fund.

(8) A hearing under this chapter shall be held by the court unless the defendant-licensee demands a jury trial. The trial shall be held as soon as possible but at least 20 days after the filing of the charges and shall take precedence over all other matters pending before the court.

(9) If the court finds for the plaintiff, judgment shall be rendered revoking or suspending the license and the clerk of court shall file a certified copy of the judgment with the commissioner.

History: (1)En. Sec. 8, Ch. 157, L. 1959; R.C.M. 1947, 43-808; (2) thru (9)En. Sec. 18, I.M. No. 85, approved Nov. 4, 1980; amd. Sec. 6, Ch. 91, L. 1991.

SECTION II

Administrative Rules of Montana

ADMINISTRATIVE RULES OF MONTANA (ARM)

Chapter 12
Commissioner of Political Practices
Sub-Chapter 1

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ADMINISTRATIVE RULES OF MONTANA (ARM)
Chapter 12
Commissioner of Political Practices

Sub-Chapter 1
General Policy - Lobbyist Disclosure

44.12.101 LOBBYING--EXEMPTIONS (1) Appearances before the legislature or a committee thereof in response to a subpoena or written request to appear from the presiding official of the body shall not be considered "lobbying."

(2) Response to a public invitation for comment is not considered "lobbying." (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-102, MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 02 reserved.

44.12.103 LOBBYISTS--REPORTING OF INFORMATION TO PRINCIPAL (1) It is the duty of each individual lobbyist whose activities are covered by Title 5, chapter 7, MCA, to maintain records relating to information required to be reported and to transmit such information to his principal in a fashion that will allow timely reporting by the principal. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-212, MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 04 reserved.

44.12.105 STATE GOVERNMENT AGENCIES--LOBBYING--DEFINITIONS AND REPORTING (1) For purposes of calculation of expenditures for lobbying efforts by state government agencies, salaries paid to employees engaged in the following types of activities need not be calculated or reported:

(a) recommendations or reports to the legislature or a committee thereof, or a public official, in response to a request expressly requesting or directing a specific study, recommendation, or report by an agency on a particular subject;

(b) any duty which is mandated by law or rule, such as the governor's annual message to the legislature.

(2) With the above exceptions, activities of state government agencies which are direct attempts to influence the course of proposed or pending legislation are "lobbying" as defined, and the staff time and resources expended are lobbying payments. Each individual department of the executive branch is a "principal" as

defined if lobbying payments reach the threshold $1000 level. Each department shall file a report on the statutory dates which covers lobbying activities of all employees of the department.

(3) For purposes of section 5-7-103, MCA, "public official" means any individual who is elected to public office or appointed to public office by the Governor. No activity by any public official is considered to be "lobbying" within the meaning of Title 5, chapter 7, MCA, or this rule. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-208, 5-7-111, MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 06 reserved.

44.12.107 STATE GOVERNMENT EMPLOYEES--REGISTRATION (1) State government employees whose lobbying activities are covered by the Act and these rules are required to register as lobbyists in the usual manner. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-103, MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82; AMD, 1994 MAR p. 2749, Eff. 10/14/94.)

Rule 08 reserved.

44.12.109 PERSONAL FINANCIAL DISCLOSURE BY ELECTED OFFICIALS (Transferred to 44.10.621, 1996.)

Sub-Chapter 2
Reporting of Lobbying Expenditures by Principals
Right to Hearing

44.12.201 REPORTING OF CONTRIBUTIONS AND MEMBERSHIP FEES (1) As used in section 5-7-208(5)(c), MCA, a contribution or membership fee is considered to be paid for the purpose of lobbying and therefore reportable by a principal if it is:

(a) solicited by the recipient to be used primarily for payment of lobbying expenses;

(b) paid to a group formed or existing primarily for the purpose of lobbying;

(c) earmarked or intended by the donor to be used for payment of lobbying expenses. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-208(5)(c), MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 02 reserved.

44.12.203 PRINCIPALS--REPORTING OF COMPENSATION PAID TO LOBBYISTS (1) Pursuant to section 5-7-208(5)(a), MCA, reports filed by principals shall disclose fees and salaries, paid to lobbyists in the following manner:

(a) If the compensation is on a fee basis and the primary purpose of the contract is for lobbying services, the entire amount of the fee;

(b) If the lobbyist is a full-time employee or officer of the principal, and his duties include lobbying, the salary may be allocated on a daily basis or on an hourly basis. If computed on an hourly basis, a fraction of an hour shall be counted as an hour.

(c) If the compensation is a fee for services which include lobbying but not as the primary purpose of the contract, either:

(i) The proportion of the total fee which equals the proportion of the total time spent lobbying on behalf of the principal, or

(ii) If the principal is being billed on an hourly basis, the compensation paid for the actual time billed for lobbying on behalf of the principal. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-111, 5-7-208(5)(a), MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 04 reserved.

44.12.205 PRINCIPALS--REPORTING OF TRAVEL, LIVING AND OTHER EXPENSES OF LOBBYISTS (1) Expenses incurred by a lobbyist which are reimbursed by his principal, including those for travel, meals, lodging, and other expenses related to the lobbying effort which are not required to be itemized under section 5-7-208(5)(b), MCA, shall be reported by the principal as follows:

(a) If the lobbyist's services are contracted for on a fee basis and the primary purpose of the contract is for lobbying services, all reimbursed expenses;

(b) If the services are contracted for on a fee basis and lobbying services are a part of but not the primary purpose of the contract, only those expenses or the portion of them which are reasonably related or incurred in relation to lobbying on behalf of the principal;

(c) If the expenses are incurred by a full-time employee or officer of the principal whose duties include lobbying, only those reimbursed expenses or the proportion of them which are reasonably related to or incurred in relation to lobbying on behalf of the principal. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-208(5)(a)(vii), MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 06 reserved.

44.12.207 PRINCIPALS--REPORTING OF MISCELLANEOUS OFFICE EXPENSES (1) As used in section 5-7-208(5)(a), MCA, "other office expenses" means expenses related to or incurred in the support of a lobbying presentation or argument or the support of a lobbyist. Regular and recurring expenses such as rent, utilities and staff time need not be reported unless lobbying is the primary purpose of the organization.

(2) For purposes of this rule, lobbying is considered to be an organization's primary purpose if over 75% of its yearly budget is allocated to lobbying efforts. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-208(5)(a)(xi), MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 08 reserved.

44.12.209 PRINCIPALS--REPORTING OF COSTS OF SOCIAL EVENTS RELATED TO LEGISLATIVE EFFORTS (1) A principal shall report the cost of gatherings and events (if such expenses are not required to be itemized under section 5-7-208(5)(b), MCA), if the primary purpose of the event is related to the principal's legislative effort.

(2) For purposes of this rule, the primary purpose of an event is related to the principal's legislative effort if;

(a) The event includes a program the subject of which is pending or proposed legislation; and

(b) Substantial lobbying activity is undertaken. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-208(5)(a)(ix), MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 10 reserved.

44.12.211 ALLOCATION OF TIME AND COSTS--ALTERNATIVE METHOD (1) A person who is compensated by a principal and whose duties include lobbying is lobbying for hire, as defined in section 5-7-102(6), MCA. If most or all of such an employee's time during a given period is devoted to lobbying or lobbying-related activities, the total sum of all compensation paid to him during the period may be reported as lobbying payments.

(2) If less than all of such an individual's time is devoted to lobbying or other legislative activities, then the sum reportable may be computed as the proportion of the total compensation paid which equals the reasonable proportion of the total hours or days spent on lobbying during the period. For example, if an employee or agent is paid $500 per week and spends the reasonable equivalent of two days on lobbying activities, then $200 may be reported by his principal as lobbying payments.

(3) In the same manner, office and other expenses may be reported as an estimated proportion of total expenses (including staff salaries) for the period. If it can be reasonably estimated that a given proportion of total expenses during a period were related to lobbying efforts, a principal may report the proportion of total expenses for the period which equals the estimated proportion of time and budget spent on the lobbying effort. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-111, MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 12 reserved.

44.12.213 COMPLAINTS--PROCEDURE--RIGHT TO HEARING (1) A person against whom a complaint is filed with the Commissioner by a third party may request an administrative hearing prior to a determination by the Commissioner that the complaint is or is not justified. In addition, such a hearing may be requested by the complaining party or by the Commissioner.

(2) Such hearings shall be conducted in accordance with the Montana Administrative Procedure Act and the Attorney General's model rules for contested-case or declaratory rulings.

(3) If a complaint is filed against a person, the Commissioner shall notify the person of that fact. The Commissioner shall provide a copy of a complaint to the affected party on request. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-305, MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

Rule 14 reserved.

44.12.215 AUDITS (1) From time to time the Commissioner may undertake audits of reports filed by principals and of the curcumstances and documentation

underlying them. Such audits may be conducted either pursuant to a complaint or on the agency's own initiative.

(2) Such audits shall be conducted during normal and reasonable business hours and under circumstances that will assure minimal disruption of business affairs.

(3) The information or materials involved in such audits shall not be made public by the Commissioner unless the audit results in formal administrative or legal action, and then only to the extent necessary to accomplish such action. (History: Sec. 5-7-111, MCA; IMP, Sec. 5-7-305, MCA; NEW, 1982 MAR p. 1208, Eff. 6/18/82.)

SECTION III

Forms

THE STATE OF MONTANA

COMMISSIONER OF POLITICAL PRACTICES

P. O. BOX 202401
1205 EIGHTH AVENUE
HELENA, MONTANA 59620-2401
PHONE: (406) 444-2942
FAX: (406) 444-1643

FOR OFFICE USE ONLY	

TO BE FILED BY	FORM
LOBBYIST	L-1 (Rev. 11/96)

APPLICATION for LOBBYIST LICENSE

PLEASE NOTE: Licensure and registration of lobbyists require the filing of two forms (L-1 and L-2) with a fee of $50 per lobbyist. A principal must file an Authorization Statement (L-2) for each lobbyist and a lobbyist must submit this application within one week of being employed by a principal. (See sections 5-7-201 through 5-7-204 MCA.)

Licenses issued expire on December 31 of each even-numbered year unless terminated sooner.

Please print or type all information on this form except on the signature line below and return with $50 license fee.

Name of Lobbyist

Business address of Lobbyist

Telephone

Residence address of Lobbyist

Telephone

Helena address of Lobbyist

Telephone

I, _____
Lobbyist's Name

certify that the foregoing is complete and correct.

Lobbyist's Signature _____ Date

Complete information for each principal. Use back of this sheet if needed.

Name of Principal

Address of Principal

Telephone number of Principal

Specific subjects of legislation:

Name of Principal

Address of Principal

Telephone number of Principal

Specific subjects of legislation:

☐ Check here if continued on reverse.

Name of Principal Address of Principal Telephone number of Principal	Name of Principal Address of Principal Telephone number of Principal
Specific subjects of legislation:	Specific subjects of legislation:
Name of Principal Address of Principal Telephone number of Principal	Name of Principal Address of Principal Telephone number of Principal
Specific subjects of legislation:	Specific subjects of legislation:
Name of Principal Address of Principal Telephone number of Principal	Name of Principal Address of Principal Telephone number of Principal
Specific subjects of legislation:	Specific subjects of legislation:

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FOR OFFICE USE ONLY	

TO BE FILED BY	FORM
PRINCIPAL (EMPLOYER OF LOBBYIST)	L-2 (Rev. 11/96)

AUTHORIZATION STATEMENT

PLEASE NOTE: Licensure and registration of lobbyists require the filing of two forms (L-1 and L-2) with a fee of $50 per lobbyist. A principal must file an Authorization Statement (L-2) after employing a lobbyist and must file periodic lobbying disclosure reports. A lobbyist must file an Application for Lobbyist License (L-1) within one week of being employed by a principal. (See sections 5-7-201 through 5-7-204, MCA.)

Please print or type all information on this form except for the signature line below.

Name of principal

Address of principal

Telephone number of principal

Name of lobbyist

Address of lobbyist

Telephone number of lobbyist

SUBJECTS OF LEGISLATION

Please list specifically the subjects of legislation this lobbyist is authorized to promote in the interests of the principal. The lobbyist docket must be kept current, so file additional entries to this list as needed.

TAKE NOTE: The person who completes the authorization below will be the one to whom lobbying disclosure report forms will be sent.

I, _____ (Representative of principal), hereby authorize _____ (Name of lobbyist)

to act as lobbyist for _____ (Name of principal)

Signature

Telephone Number

Date

THE STATE OF MONTANA

COMMISSIONER OF POLITICAL PRACTICES
P.O. BOX 202401
1205 EIGHTH AVENUE
HELENA, MONTANA 59620-2401
PHONE: (406) 444-2942
FAX: (406) 444-1643

FOR OFFICE USE ONLY	

TO BE FILED BY	FORM
PRINCIPAL (EMPLOYER OF LOBBYIST)	L-5 Rev. 7/93

PLEASE TYPE OR PRINT CLEARLY IN INK

PRINCIPAL'S LOBBYING REPORT

NAME AND ADDRESS OF PRINCIPAL	REPORTING PERIOD	CHECK APPROPRIATE BOX
	From _____ through _____	☐ Initial report ☐ Monthly report ☐ Post-session report ☐ Calendar year report ☐ No reportable expenditures for this period

PART I

List each lobbyist paid, reimbursed or retained during the period covered by this report.

Name Of Lobbyist	Address

PART II

Itemize, by name, payee and beneficiary, each separate payment of $25 or more paid to the benefit of any public official and each separate payment of $100 or more paid to the benefit of more than one public official.

Name Of Payee	Amount	Name Of Public Official Receiving Benefit
	$_____	
	$_____	
	$_____	

PART III

List each contribution or membership fee of $250 or more paid to the principal during the previous calendar year for the purpose of lobbying or payment of lobbying expenses, together with the name and address of the contributor or member and the issue, if any, for which the payment was earmarked.

Name And Address Of Member/Contributor	Amount	Issue Area Earmarked (If Any)
	$_____	
	$_____	
	$_____	

Check if additional sheets are attached [ ]

PART IV

List lobbying expenditures by category for this reporting period.

FEES PAID TO LOBBYISTS $_____

SALARIES or part thereof $_____

FOOD & BEVERAGE as a lump sum $_____

ADVERTISING INCLUDING PRODUCTION COSTS $_____

OFFICE EXPENSES related to lobbying $_____

TRAVEL EXPENSES reimbursed by principal $_____

TOTAL ..... $_____

PART V

List each official action on which an effort was exerted to support, oppose or modify. In the case of legislative action, bill number is sufficient. In right-column note whether position was to support, oppose, or amend.

Action	Position

Check if additional sheets are attached [ ]

CERTIFICATION

I, _____ (Authorized Agent of Principal), _____ (Title), certify that the facts stated in this report are true and correct to the best of my knowledge and belief.

(Signature) _____ (Date) _____ (Phone Number) _____

THIS FORM MAY BE REPRODUCED